



Payment Amount Per Episode (PAPE)

For claims with dates of services on and after October 1, 2003, Acute Outpatient Hospital and Hospital Licensed Health Center claims will be paid by the new payment methodology, PAPE. This method will replace the APG methodology.

Below are some key points regarding PAPE:

- Each hospital will have a different PAPE payment based on their paid MassHealth claims from the period Hospital Rate Year 2002.
- Outpatient hospitals will receive one flat rate, regardless of what services are performed.
- There is no changes to the claims submission process.
- There is no change to the remittance advice. Hospitals will continue to see APG information on the remittance advices.
- Hospitals should continue to work all denied claims, failure to do so will affect the PAPE in the future.
- Labs will be paid according to the fee schedule for Independent Labs, and will not be included in the PAPE payment.
- Other paid amounts will be subtracted from the PAPE payment.
- PCC enhancement fee will be paid in addition to the PAPE, when applicable.
- Physician payments billed on the claim form No. 5 will remain the same.
- A PAPE episode equals 1 calendar day.
- PAPE payment will be made on the consolidated APG line.

If you have any questions, please contact MassHealth Customer Service at 1-800-841-2900.